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SENATE BILL 2535 By  
Herron

HOUSE BILL 3202  
By Jackson

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 32; Title 63 and Title 71, relative to the credentialing of providers participating in the TennCare program by health maintenance organizations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 32, Part 2, is amended by adding the following as a new section to be appropriately designated:

Section \_\_\_\_\_. (a) A health maintenance organization participating in the TennCare program shall credential providers for participation in the organization's network of providers in accordance with the requirements of this section. The provisions of this section shall apply only to health maintenance organizations participating in the TennCare program.

(b) A health maintenance organization shall obtain a prospective provider's malpractice claims history from the National Practitioners Data Base. The organization shall not require separate submissions from the provider's malpractice insurer.

(c) For purposes of credentialing a provider to participate in a network, a health maintenance organization shall accept a verification of credentials by the department of health as a part of licensure verification pursuant to Title 63 and Section 2 of this act.

(d) (1) For services rendered before a provider has been issued a Medicaid Provider Number a health maintenance organization shall deny the claim with a special remark code. When the health maintenance organization is notified of the Medicaid Provider Number issued to the provider, then the health maintenance organization shall identify all such specially coded denials and reprocess those claims for payment. The provider shall not be required to refile any such claims. The health maintenance organization shall pay such claims as it pays for services rendered by an out-of-network provider. If the provider does not receive a Medicaid Provider Number, then the claim shall remain a denied claim.

(2) For services rendered after a provider has been issued a Medicaid Provider Number a health maintenance organization shall pay the provider's claim as it pays for services rendered by an out-of-network provider.

SECTION 2. Tennessee Code Annotated, Title 63, Chapter 1, is amended by adding the following as a new section to be appropriately designated:

Section \_\_\_\_\_. The division of health-related boards, concurrently with appropriate licensing boards, shall verify the credentials of health care providers licensed under this title. When appropriate, the division and the licensing boards shall use National Committee on Quality Assurance (NCQA) standards, as approved by the commissioner of health, in verifying credentials. Verification of credentials under this section shall be determinative for verification purposes for health maintenance organizations participating in the TennCare program.

SECTION 3. The commissioner of health is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be

promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 4. This act shall take effect July 1, 2000, the public welfare requiring it.